

Chairman Schmidt, and members of the committee, my name is Sanford Nelson, and I thank you very much for hearing me today.

For almost 6 months now, following graduating from the University of Michigan, I have been working as a stage manager at Raleigh Michigan Studios in Pontiac, Michigan. It has involved long hours of manual labor, in a fast paced environment requiring my blood and sweat. While it has been hard at times, though, it has been the most meaningful experience in my 23 years of life. I have been able to maintain a good job, right here in Michigan. I have learned so much about the movie industry, an industry that I have always wanted to make a career in. Watching Hollywood professionals put together one of the largest budgeted movies ever has been truly inspiring.

While all of this has been great, by far the most rewarding experience while working as a stage manager is that every single day, I meet new people from the state of Michigan working on the film. Michiganders are represented in every single department within this film, Oz The Great and Powerful: Grip work, rigging and electric, construction, paint shop, prop building, transportation, set decoration and design, wardrobe, hair and makeup, accounting, and visual effects, to name a few. The Michigan work force represented in our local film industry is diverse, including people from all parts of our great state, with different ethnic backgrounds and different skill sets and experiences. Many people working on rigging and electric as well as set construction had experience in building homes, an industry that has slowed drastically in our state in the last 5 years. But now, thanks to the investment in HUMAN CAPITAL made possible by the Michigan film incentive, these people have been able to find new work. This new work has been steady work, high paying work, with benefits. The lives of these people have been elevated, they are happier with their new jobs. They like working in the film industry and they want to continue to do so.



I want to stress how thankful we, the members of the Michigan film industry are, for the investment in HUMAN CAPITAL this state has made in the last three and a half years. I say human capital, because that is what this incentive program has always been about. This is about investing in the people of this great state. It's about creating quality jobs now, and keeping our young people here.

It's about people like Christina Schmidt, a 26-year-old woman who since 2008 has worked on 13 different film and television projects. Her hard work has allowed her to be admitted as a teamster in the local 337. She has been able to contribute to her 401k for almost four years now, and was able to save money and buy a new car last year. Her fiancé has also had steady work as a grip for the last few years, and they were recently going through the process of financing a home, so they could begin their lives together. Unfortunately, this process came to a halt, as both face the harsh uncertainty of how they will maintain income if the film industry in Michigan dies.

It's about people like Fred Gannod, from Plymouth Michigan, who has had great success working on the creative side of the film industry since 2008. Fred is a graduate of the College for Creative Studies in Detroit. He was able to apply some of his creative skills to different part time jobs for some time, but ended up taking a job as a machine press servicing the auto industry to make ends meet. When the demand for that job began to slow, he started to aggressively pursue jobs in Michigan's new film industry. His artistic skill and persistence has paid off. While working in the prop shop on Oz, his skills were noticed by Russell Bobbit, an award winning prop master from Hollywood, who now insists on having Fred on set with him at all times, and who has said that Fred is his go to guy on the film, and is amazed by his capabilities.

It's about people like Brian and Megan Meganck, who started a business to service TV and film productions. Their company, Kind Services, provides snack foods and secondary meals to productions on location and on stage. They have worked with



30 different productions in the last few years, and hired dozens of local people. In the last year, they spent 1 million dollars on snack foods, and another 1 million dollars on second meals. Their spending represents much needed dollars for local small businesses. Brian and Megan have worked exclusively in Michigan since the incentives passed in 2008, and realize a need to further invest in their business to meet growing demand should a new incentive program be put into law.

Christina, Fred, Brian and I, are only four out of thousands of people whose lives have been changed by the Michigan film industry. Thousands of people have been put back to work, have been able to apply their old skills and learn new skills. These people love working in this industry, an industry whose culture promotes creativity and entrepreneurialism. The investment in HUMAN CAPITAL this state has made thus far has had a tremendous positive effect on the citizens of this state. To stop the investment now will undermine and undo the investment made over the last three and a half years. The thousands of people who have learned new skills and have had great jobs and whose lives have been elevated will now be out of work, and, may sadly have no choice but to leave this state.

This industry is in its infancy. The people of the state of Michigan need more time. People like Russell Bobbit won't need to come to this state anymore, because people he has trained like Fred Gannod can start their own prop house business right here in Michigan, and hire artistic Michiganders and train them! At the end of the day, this is all about human capital. You have an opportunity to make a solid investment in human capital that, given more time, will produce tremendous dividends for the state in many ways, both tangible and intangible. This industry has and will continue to have positive results for this state. It has created a worldwide buzz about Michigan. It has a culture of creativity and entrepreneurialism, and has become a beacon of hope for young dreamers, like myself, who want to work and create and maintain a strong future for our state. Most importantly, it is creating jobs now.



Thank you very much for your time this morning.

